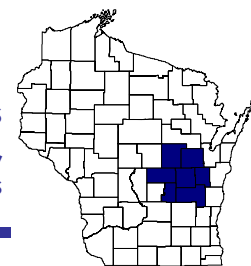


WORKFORCE OBSERVATIONS

for the Fox Valley WDA counties
Calumet, Fond du Lac, Green Lake, Outagamie, Waupaca, Waushara,
and Winnebago Counties



published quarterly by the Office of Economic Advisors,
Wisconsin Department of Workforce Development

Summer 2006

In this issue:

- ⇒ Analysis of Fox Valley WDA and its counties' personal income data (2004)
- ⇒ Wrap up of second quarter 2006 labor market in the Fox Valley WDA

Fox Valley WDA Personal Income Has Been Updated

Per Capita Personal Income for Fox Valley WDA Counties						
	Total Personal Income (x1000)	Per Capita Personal Income		Percent Change		2004 Rank
	2004	2004	2003	2003-04	1999-04	
Wisconsin	\$177,026,243	\$32,166	\$30,664	4.9%	18.5%	
Metropolitan Wis.	\$135,269,947	\$34,002	\$32,516	4.6%	18.2%	
Non-metro Wis.	\$41,756,296	\$27,378	\$25,840	6.0%	19.6%	
Calumet	\$1,511,689	\$34,539	\$32,130	7.5%	25.1%	5
Fond du Lac	\$3,094,204	\$31,366	\$30,096	4.2%	19.0%	17
Green Lake	\$544,328	\$28,419	\$26,678	6.5%	12.6%	32
Outagamie	\$5,474,787	\$32,377	\$30,596	5.8%	18.8%	13
Waupaca	\$1,528,340	\$29,060	\$27,154	7.0%	19.8%	29
Waushara	\$549,144	\$22,220	\$21,057	5.5%	12.7%	70
Winnebago	\$5,120,926	\$32,275	\$30,829	4.7%	20.5%	14
Fox Valley	\$17,823,418	\$31,455	\$29,822	5.5%	19.5%	

Source: US Dept. of Commerce, Bureau of Economic Analysis, May 2006

The U.S. Department of Commerce's Bureau of Economic Analysis is the source of the personal income data in this issue. Personal income is total income received by persons from all sources. Its main components are employee compensation, proprietors' income, rental income, personal income receipts on assets, and personal current transfer receipts. Personal income figures, particularly per capita measures, are highly regarded as a gauge of a location's economic health.

sonal income (TPI) and the per capita personal income (PCPI) for the Fox Valley WDA and its constituent counties. PCPI is defined as total personal income divided by the total population. The overall 2004 Fox Valley WDA PCPI is lower than the statewide figure, though its PCPI growth has been faster over both one- and five-year periods. The regional counties' PCPI range among the state's highest and lowest with Calumet ranking fifth highest in Wisconsin and Waushara County ranking 70th of 72 counties.

The table on this page lists the total per-

Local Area Personal Income

	Total Personal Income (TPI) in thousands			Per Capita Personal Income (PCPI)		
	2004	2003	1999	2004	2003	1999
Fox Valley	\$17,823,418	\$16,812,170	\$14,355,663	\$31,455	\$29,822	\$26,311
Wisconsin	\$177,026,243	\$167,785,798	\$144,702,139	\$32,166	\$30,664	\$27,135
United States	\$9,705,504,000	\$9,157,257,000	\$7,796,137,000	\$33,050	\$31,484	\$27,939
Percent Change		1-year	5-year		1-year	5-year
Fox Valley		6.0%	24.2%		5.5%	19.5%
Wisconsin		5.5%	22.3%		4.9%	18.5%
United States		6.0%	24.5%		5.0%	18.3%

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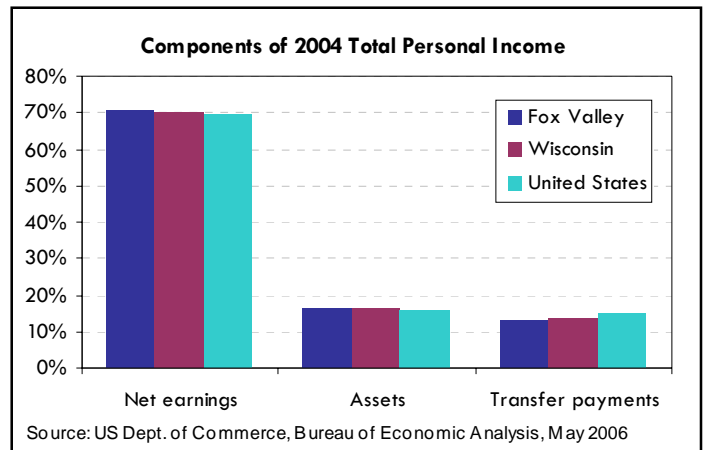
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Local/State/National Quarterly Unemployment Rates

	Second Quarter 2006 Average Labor Force			
	Total Labor Force	Number Employed	Number Unemployed	Unemploy. Rate
Calumet County	25,400	24,400	1,000	4.0%
Fond du Lac County	57,100	54,400	2,700	4.7%
Green Lake County	10,700	10,100	600	5.3%
Outagamie County	96,400	91,700	4,700	4.8%
Waupaca County	28,500	27,100	1,400	4.9%
Waushara County	12,900	12,200	700	5.4%
Winnebago County	92,900	88,600	4,300	4.6%
Appleton, WI MSA	121,800	116,100	5,700	4.7%
Fox Valley WDA	323,900	308,500	15,300	4.7%
Appleton City	40,300	37,800	2,500	6.3%
Fond Du Lac City	23,800	22,500	1,300	5.6%
Neenah City	22,800	21,900	900	3.8%
Oshkosh City	36,100	34,300	1,800	4.9%
Wisconsin	3,085,300	2,937,000	148,300	4.8%
United States	151,154,000	144,220,700	6,933,300	4.6%
Change Compared to Previous Quarter				
Calumet County	300	400	-100	-0.4%
Fond du Lac County	400	700	-300	-0.6%
Green Lake County	310	500	-180	-1.9%
Outagamie County	900	1,400	-600	-0.6%
Waupaca County	380	790	-400	-1.5%
Waushara County	200	390	-190	-1.6%
Winnebago County	900	1,200	-300	-0.3%
Appleton, WI MSA	1,100	1,800	-600	-0.6%
Fox Valley WDA	3,300	5,300	-2,000	-0.7%
Appleton City	410	580	-160	-0.5%
Fond Du Lac City	170	280	-110	-0.5%
Neenah City	230	300	-70	-0.3%
Oshkosh City	360	460	-100	-0.3%
Wisconsin	42,500	59,200	-16,700	-0.6%
United States	1,553,000	2,138,300	-585,000	-0.4%
Change Compared to Same Quarter, Previous Year				
Calumet County	160	220	-60	-0.3%
Fond du Lac County	600	500	100	0.1%
Green Lake County	150	170	-20	-0.3%
Outagamie County	1,100	800	300	0.2%
Waupaca County	120	220	-100	-0.4%
Waushara County	310	260	50	0.3%
Winnebago County	1,100	1,100	0	-0.1%
Appleton, WI MSA	1,300	1,100	200	0.1%
Fox Valley WDA	3,600	3,400	200	0.0%
Appleton City	580	350	230	0.5%
Fond Du Lac City	290	220	70	0.2%
Neenah City	310	280	30	0.1%
Oshkosh City	320	430	-120	-0.4%
Wisconsin	42,700	39,700	2,900	0.0%
United States	1,994,300	2,558,700	-564,000	-0.4%

Source: DWD Office of Economic Advisors analysis of data supplied by DWD Bureau of Workforce Information and the U.S. DOL Bureau of Labor Statistics. Data are not seasonally adjusted and are preliminary. Figures are rounded and may not sum to total. Fond du Lac County is also referred to as the Fond du Lac MSA. Winnebago County is often referred to as the Oshkosh-Neenah MSA. The Appleton MSA consists of Outagamie and Calumet counties.



(Continued from page 1)

In 2004, three of the Fox Valley's seven counties registered PCPI higher than the state's overall average of \$32,166. Calumet County's PCPI was the highest in the Fox Valley exceeding the WDA overall by just over \$3,000. Calumet has been able to boast a higher-than-state PCPI consistently since 1998 and its PCPI growth has been widening relative to Wisconsin every year since. This is occurring because its total personal income has grown rapidly due to its quick population growth of regional workers bringing more income into Calumet. Only one other county in Wisconsin has shown faster total personal income growth between 1999-2004, St. Croix County, whose growth was minutely faster.

The graph at the top of this page displays TPI composition by its three major components comparing the region, state and nation. The data show TPI in the Fox Valley counties is proportionately higher in net earnings (e.g., employment wages and proprietor earnings) and assets (e.g., dividend and interest income) and is lower in transfer payments, which are mainly government social security benefits, Medicare benefits, and income maintenance benefits.

While the graphed differences in income composition may seem visually trivial in reference to how the Fox Valley compares to the state and nation, these differences are significant if only for the fact of that even a one percent point disparity in Fox Valley's distribution is the equivalent of almost 180 million dollars. The Fox Valley's slightly higher than average share of income via net earnings reflects the fact that it has a high labor force participation rate (considerably higher than the national average) and a larger than average segment of its population in its prime working and earning years. The region's proportionately lower share of transfer payments (13% of TPI in the Fox Valley vs. 14.7% nationally) is its largest compositional difference compared to the national average. This is also likely tied to the region's high labor force participation rate as well as a lower than average unemployment rate. It also points to the fact that the Fox valley WDA, as a whole, is not as dependent upon various forms of government assistance.

Local/State/National Quarterly Industry Employment

	Avg Quarterly Number of Jobs by Industry Sector								
	United States	Wisconsin	Appleton MSA	Fond du Lac MSA	Oshkosh-Neenah MSA	Green Lake County	Waupaca County	Waushara County	Fox Valley WDA
	Q2-2006	Q2-1006	Q2-1006	Q2-1006	Q2-1006	Q2-1006	Q2-1006	Q2-1006	Q2-1006
All Industries	135,750,600	2,884,430	117,470	48,570	92,600	7,560	21,700	6,420	294,310
Construction/Natural Resources	8,236,000	141,300	9,100	3,200	4,100	470	840	330	18,030
Manufacturing	14,261,000	506,170	23,770	10,600	23,600	1,710	5,140	920	65,740
Total Trade	21,009,000	430,470	19,300	7,470	11,600	1,000	3,300	1,020	43,680
Wholesale Trade	5,858,600	118,870	4,100	1,730	3,170	xx	xx	xx	xx
Retail Trade	15,150,400	311,600	15,200	5,730	8,430	xx	xx	xx	xx
Transport/Warehouse/Utilities	4,975,600	106,800	3,600	1,730	3,500	320	480	230	9,860
Financial Activities	8,331,700	159,170	6,430	1,700	3,830	320	620	170	13,070
Education and Health Services	17,704,000	396,530	12,370	6,300	10,870	1,110	2,550	770	33,960
Leisure and Hospitality	13,249,000	268,130	10,600	4,730	6,500	800	2,400	820	25,860
Info./Prof./Bus.and Other Services	25,806,300	454,230	20,700	7,030	15,930	730	2,320	650	47,370
Information	3,067,700	49,100	2,100	1,200	1,600	xx	xx	xx	xx
Professional and Business Services	17,303,300	267,130	12,530	2,900	10,030	xx	xx	xx	xx
Other Services	5,435,300	138,000	6,070	2,930	4,300	xx	xx	xx	xx
Fed/State/Local Government	22,178,000	421,630	11,600	5,800	12,670	1,110	4,050	1,500	36,740
Change in Avg. # of Jobs Compared to Previous Quarter									
All Industries	2,537,500	77,800	2,300	370	2,070	670	880	310	6,600
Construction/Natural Resources	526,300	17,100	800	230	370	180	140	60	1,770
Manufacturing	129,300	3,800	300	70	500	70	110	20	1,060
Total Trade	160,800	4,770	230	100	-70	90	140	80	570
Wholesale Trade	87,600	2,730	100	30	70	xx	xx	xx	xx
Retail Trade	73,200	2,030	130	70	-130	xx	xx	xx	xx
Transport/Warehouse/Utilities	72,700	3,830	100	30	100	30	20	0	280
Financial Activities	115,300	1,970	-170	0	30	10	0	10	-110
Education and Health Services	72,700	5,770	100	-300	130	10	-20	40	-40
Leisure and Hospitality	804,000	18,800	300	200	470	220	410	80	1,670
Info./Prof./Bus.and Other Services	551,700	17,400	330	30	470	40	30	50	960
Information	12,700	170	0	0	0	xx	xx	xx	xx
Professional and Business Services	460,700	14,030	370	100	530	xx	xx	xx	xx
Other Services	78,300	3,200	-30	-70	-70	xx	xx	xx	xx
Fed/State/Local Government	104,700	4,370	300	0	70	30	60	-20	440
Change in Avg. # of Jobs Compared to Same Quarter in 2005									
All Industries	1,872,000	30,000	-100	70	670	100	30	110	880
Construction/Natural Resources	293,700	5,130	270	230	30	30	-40	-10	520
Manufacturing	2,700	770	-100	30	530	90	70	30	660
Total Trade	83,000	-500	470	-70	430	-20	80	10	910
Wholesale Trade	101,900	1,130	0	30	30	xx	xx	xx	xx
Retail Trade	-18,900	-1,630	470	-100	400	xx	xx	xx	xx
Transport/Warehouse/Utilities	67,700	-2,400	70	-30	100	10	-10	-10	130
Financial Activities	213,700	-330	-400	-100	30	10	-20	-10	-480
Education and Health Services	385,700	13,070	370	0	330	10	-40	30	700
Leisure and Hospitality	211,700	7,670	-470	100	-300	0	10	20	-640
Info./Prof./Bus.and Other Services	449,700	5,230	-270	-30	-370	20	20	0	-670
Information	-3,000	-770	0	0	0	xx	xx	xx	xx
Professional and Business Services	435,700	4,830	-270	30	-230	xx	xx	xx	xx
Other Services	17,000	1,170	0	-70	-130	xx	xx	xx	xx
Fed/State/Local Government	164,300	1,370	-30	-70	-130	-50	-10	40	-250

Source: DWD Office of Economic Advisors analysis of Current Employment Statistics (CES) data supplied by DWD Bureau of Workforce Information and the U.S. DOL Bureau of Labor Statistics. These not seasonally adjusted, preliminary figures are rounded and may not sum to the all industries total. The Appleton MSA consists of Calumet and Outagamie Counties. The Fond du Lac MSA is Fond Du Lac county. The Oshkosh-Neenah MSA is Winnebago County.

Fox Valley WDA—Second Quarter 2006 (April, May, and June)

Labor Force

As expected, The Fox Valley labor force posted growth in the second quarter. The growth is seasonal in response to more employment opportunities as well the fact that the second quarter gains are dynamic compared to the more sedate first quarter labor market. This is not unique to the Fox Valley region whatsoever.

At a total of 308,500 participants, Fox Valley's labor force posted a quarterly average net gain of 3,300 participants. More specifically there were 5,300 more employed and 2,000 fewer unemployed. The second quarter unemployment rate, 4.7 percent, is five-tenths of a percentage point lower than its rate in Q1. A decline in the unemployment rate is always expected between the first and second quarters.

The highest quarterly, county-level unemployment rate in the Fox Valley was measured in Waushara County, 5.4 percent, and the lowest rate was in Calumet at 4.0 percent. Each regional county's labor force added more employed and reduced their number of unemployed over the quarter. Three regional counties had unemployment rates that decreased by more than one percent point in Q2 with Green Lake County decreasing by close to two percent points. Winnebago County measured the smallest quarterly rate decrease falling three-tenths of a percentage point.

The region's unemployment rate compared to the second quarter in 2005 is unchanged. The statewide quarterly average is also unchanged, annually. The annual comparison among the region's constituent counties is a rather mixed bag though. Three counties' rates have higher rates and four counties show an annual decrease. It should be noted that each county in the WDA has measured an increase in its number of employed, but some of the counties have measured disproportionately faster growth in the number of unemployed, thus raising the unemployment rate. The second quarter unemployment rate is fairly indicative of where the calendar year will stand in terms of its overall average unemployment rate. The annual average unemployment rate tends to be about the same as the second quarter's or perhaps one- to two-tenths of a percentage point lower than second quarter rate.

Industry Employment

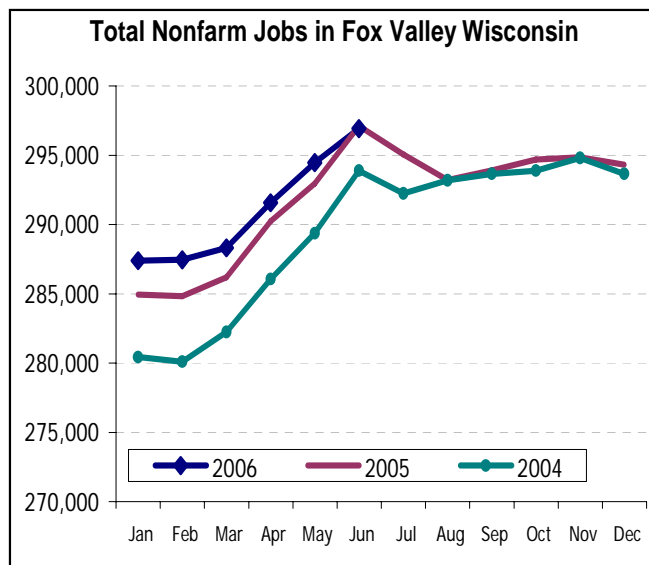
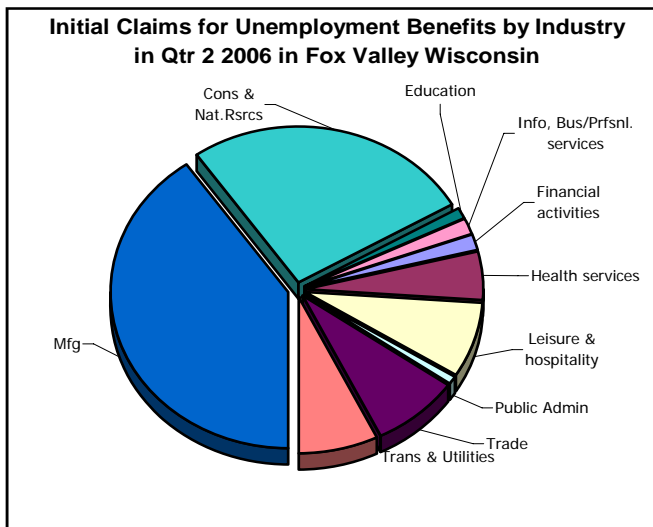
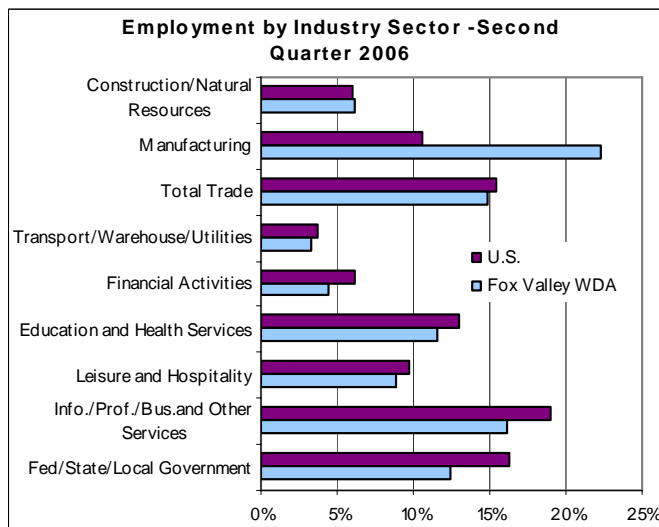
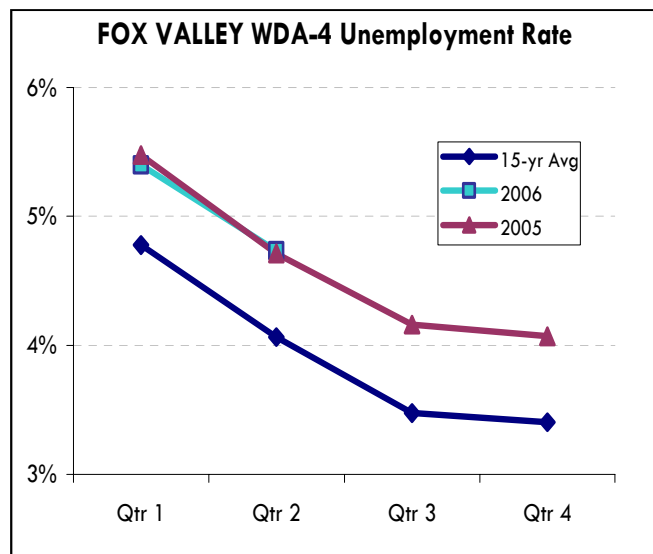
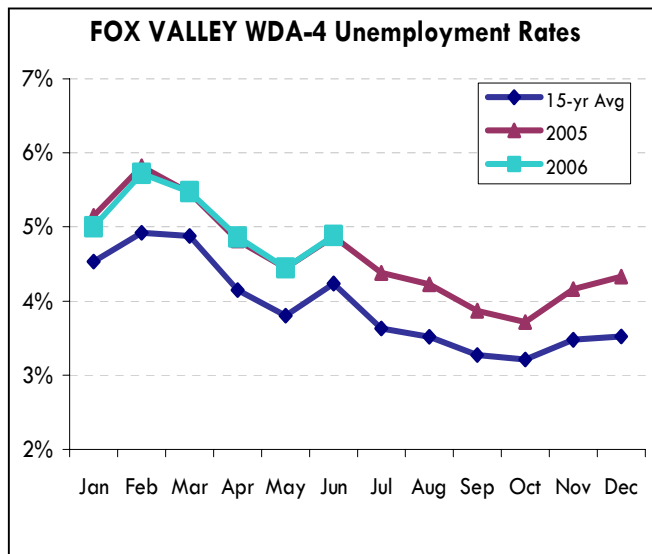
Second quarter's nonfarm wage and salary industry employment in the Fox Valley WDA stood at 294,310 total jobs representing a monthly net increase of 6,600 jobs. Most of the major employment sectors posted quarterly jobs gains with the exceptions of education and health services employment and financial activities employment. Construction and leisure and hospitality posted the sharpest quarterly gains, which are attributed to seasonal fluctuations. Manufacturing employment registered a net gain of 1,060 jobs.

Like the labor force, the second quarter job count is quite dynamic posting the calendar year's most robust overall growth. This makes sense because seasonally created jobs and the workers that fill them are an obvious match and there is no higher time in state's or the Fox Valley WDA labor market than the late spring and early summer months. Every Fox Valley county posted net job gains in the second quarter.

The total job tally from annual perspective shows net growth of 880 jobs for a growth rate of 0.3 percent. The industry sector leading the net growth was total trade employment followed by education and health services and manufacturing. Leisure and hospitality employment; and information, professional, business and other services employment were sectors with the greatest loss of jobs, annually.

The Appleton MSA, which includes Outagamie and Calumet counties, was the only portion of the Fox Valley area to post an overall, net loss of jobs on an annual basis; 100 jobs fewer than in Q2 2005. The Oshkosh-Neenah MSA measured the largest regional gain adding 670 jobs. The balance of the region's counties posted annual net increase in their total numbers of jobs. Manufacturing employment posted annual gains in every Fox Valley WDA county/metro area with the exception of the Appleton MSA.

The Fox Valley Workforce Album



	Change over previous quarter				over yr
	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 2
	2005	2005	2006	2006	2005
Consumer Price Index - All items (not seasonally adjusted)					
United States	1.2%	0.5%	0.5%	1.7%	4.0%
Midwest cities (50,000-1.5 million pop.)	1.5%	1.6%	0.2%	0.2%	3.5%
Midwest cities (less than 50,000 pop.)	1.4%	1.7%	0.3%	0.2%	3.7%
Employment Cost Index (not seasonally adjusted)					
Civilian total compensation	0.8%	0.6%	0.7%	0.9%	3.0%
Private industry total compensation	0.6%	0.5%	0.8%	0.9%	2.8%
Local & state govt. total compensation	2.0%	0.9%	0.5%	0.4%	3.8%
Civilian wages	0.7%	0.6%	0.7%	0.8%	2.8%
Private wages	0.6%	0.5%	0.7%	1.0%	2.8%
Local & state government wages	1.3%	0.9%	0.3%	0.5%	3.1%
Civilian benefits	1.2%	0.5%	0.9%	0.7%	3.4%
Private industry benefits	0.7%	0.3%	1.0%	0.7%	2.7%
Local & state government benefits	3.1%	1.0%	0.7%	0.6%	5.5%
Source: US Bureau of Labor Statistics					current quarter